



For Release: Friday, May 12, 2017

17-578-CHI

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Consumer Price Index, Detroit-Ann Arbor-Flint — April 2017 Local prices up 2.3 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area rose 0.7 percent from February to April, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the energy index increased 4.7 percent, while the food index rose 0.2 percent over the bi-monthly period. The index for all items less food and energy increased 0.3 percent from February to April. Among the indexes within the all items less food and energy category, prices were higher for shelter, medical care, and apparel. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months, the Detroit all items CPI-U increased 2.3 percent. (See chart 1 and table A.) The energy index increased 12.4 percent over the year, primarily due to increases in gasoline prices. The index for all items less food and energy rose 1.7 percent over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Detroit, April 2014-April 2017



Source: U.S. Bureau of Labor Statistics.

Food

Food prices increased 0.2 percent from February to April following a 1.5-percent increase over the previous bi-monthly period. Of the two components within the food index, prices for food at home (groceries) rose 0.3 percent and prices for food away from home (restaurant, cafeteria, and vending purchases) were unchanged.

Over the year, food prices in the Detroit area declined 0.4 percent. Grocery prices fell 0.7 percent and prices for food away from home edged up 0.1 percent over the year.

Energy

The energy index for Detroit increased 4.7 percent from February to April, primarily due to gasoline prices rising 11.7 percent. In contrast, utility (piped) gas service costs decreased 1.1 percent and electricity costs edged down 0.1 percent.

From April 2016 to April 2017, overall energy prices increased 12.4 percent. Gasoline prices rose 21.8 percent over the year. The utility (piped) gas service index and the electricity index also rose by 6.8 and 3.5 percent respectively.

All items less food and energy

The index for all items less food and energy increased 0.3 percent from February to April. Among the index's components, prices were higher for shelter (1.2 percent), medical care (1.7 percent), and apparel (2.6 percent), but lower for recreation (-3.5 percent) and education and communication (-2.4 percent).

Over the year, the index for all items less food and energy rose 1.7 percent. Increases in the indexes for shelter (3.3 percent), medical care (4.3 percent), and apparel (10.4 percent) were major contributing factors.

Table A. Detroit CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2013		2014		2015		2016		2017	
	2-month	12- month								
February	1.1	1.9	1.1	0.7	-0.7	-1.8	0.3	0.9	0.9	3.0
April	0.0	1.3	1.3	2.0	1.2	-1.9	1.4	1.1	0.7	2.3
June	1.2	3.3	0.5	1.3	0.0	-2.4	1.2	2.3		
August	-0.7	1.3	-1.0	1.0	0.6	-0.9	-0.1	1.7		
October	-0.1	0.7	-0.1	1.0	0.1	-0.7	0.2	1.7		
December	-0.7	0.8	-1.8	-0.1	-1.2	-0.1	-0.6	2.4		

The June 2017 Consumer Price Index for Detroit is scheduled to be released on Friday, July 14, 2017.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Detroit-Ann Arbor-Flint, Mich.** consolidated area covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group		Indexes		Percent change from-			
	Feb. 2017	Mar. 2017	Apr. 2017	Apr. 2016	Feb. 2017	Mar. 2017	
Expenditure category							
All items	224.957	_	226.484	2.3	0.7		
All items (1967=100)	668.665	_	673.204		5.7		
Food and beverages	222.671	_	223.057	-0.2	0.2		
Food	222.216	_	222.578	-0.4	0.2		
Food at home	211.517	209.896	212.120	-0.7	0.3	1.1	
Food away from home	239.239	-	239.190	0.1	0.0		
Alcoholic beverages	222.722	-	223.446	1.6	0.3		
Housing	209.642	-	211.123	3.4	0.7		
Shelter	237.788	239.318	240.620	3.3	1.2	0.8	
Rent of primary residence(1)	243.881	244.430	246.463	3.6	1.1	3.0	
Owners' equiv. rent of residences(1)(2)	236.148	237.724	239.164	4.6	1.3	0.6	
Owners' equiv. rent of primary residence(1)(2)	236.148	237.724	239.164	4.6	1.3	0.6	
Fuels and utilities	246.473	-	244.703	5.1	-0.7	,	
Household energy	190.736	189.902	188.896	5.0	-1.0	-0.5	
Energy services(1)	193.334	193.262	192.355	4.7	-0.5	-0.5	
Electricity(1)	224.577	224.401	224.262	3.5	-0.1	-0.1	
Utility (piped) gas service(1)	148.007	148.050	146.377	6.8	-1.1	-1.1	
Household furnishings and operations	118.933	-	117.825	0.8	-0.9		
Apparel	117.257	-	120.266	10.4	2.6		
Transportation	225.952	-	233.061	4.0	3.1		
Private transportation	225.430	-	232.159	4.7	3.0		
Motor fuel	202.133	211.769	225.634	21.8	11.6	6.5	
Gasoline (all types)	200.912	210.542	224.446	21.8	11.7	6.6	
Gasoline, unleaded regular(3)	200.692	211.092	225.621	22.4	12.4	6.9	
Gasoline, unleaded midgrade(3)(4)	242.211	250.828	266.234	20.2	9.9	6.	
Gasoline, unleaded premium(3)	220.365	226.953	237.448	18.9	7.8	4.6	
Medical care	426.846	-	434.102	4.3	1.7		
Recreation(5)	123.466	-	119.170	2.3	-3.5		
Education and communication(5)	142.238	-	138.820	-6.6	-2.4		
Other goods and services	403.336	-	401.719	0.0	-0.4		
Commodity and service group							
All items	224.957	_	226.484	2.3	0.7		
Commodities	172.806	_	175.227	2.1	1.4		
Commodities less food & beverages	147.073	_	150.320	3.6	2.2		
Nondurables less food & beverages	176.434	-	183.642	9.5	4.1		
Durables	112.918	-	112.607	-3.6	-0.3		
Services	278.362	-	279.085	2.4	0.3		
Special aggregate indexes							
All items less medical care	216.795	-	218.062	2.1	0.6		
All items less shelter	222.936	-	223.977	1.9	0.5		
Commodities less food	149.838	-	153.032	3.5	2.1		
Nondurables	199.386	-	203.353	4.2	2.0		
Nondurables less food	179.442	-	186.309	9.0	3.8		
Services less rent of shelter(2)	335.984	-	334.186	1.6	-0.5		
Services less medical care services	268.965	-	269.352	2.4	0.1		
Energy	199.945	203.717	209.256	12.4	4.7	2.7	
All items less energy	230.234	-	230.967	1.4	0.3		
All items less food and energy	232.271	-	233.073	1.7	0.3		

Note: See footnotes at end of table.

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

- (2) Index is on a December 1982=100 base.
- (3) Special index based on a substantially smaller sample.
 (4) Indexes on a December 1993=100 base.
 (5) Indexes on a December 1997=100 base.

- Data not available.

NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.